PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #0929/01 0540214 ZNR UUUUU ZZH P 230214Z FEB 06 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 8930 INFO RUEKJCS/SECDEF WASHDC PRIORITY RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY RUEAWJA/USDOJ WASHDC PRIORITY RULSDMK/USDOT WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHDC//J5// RHHMUNA/HQ USPACOM HONOLULU HI RHHMHBA/COMPACFLT PEARL HARBOR HI RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// RHMFIUU/COMUSJAPAN YOKOTA AB JA//J5/JO21// RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA RUAYJAA/COMPATWING ONE KAMI SEYA JA RUEHNH/AMCONSUL NAHA 7408 RUEHFK/AMCONSUL FUKUOKA 4768 RUEHOK/AMCONSUL OSAKA KOBE 7862 RUEHNAG/AMCONSUL NAGOYA 4827 RUEHKSO/AMCONSUL SAPPORO 5962 RUEHBJ/AMEMBASSY BEIJING 0752 RUEHUL/AMEMBASSY SEOUL 6943 RUCNDT/USMISSION USUN NEW YORK 8980

UNCLAS SECTION 01 OF 11 TOKYO 000929

SIPDIS

VZCZCXRO5855

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA; WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION; TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE; SECDEF FOR JCS-J-5/JAPAN, DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR; CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: OIIP KMDR KPAO PGOV PINR ECON ELAB JA

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 02/23/06

# Index:

- 1) Top headlines
- 2) Editorials
- 3) Prime Minister's daily schedule

## Defense topics:

- Kevin Maher picked as next consul general for Naha Consulate in Okinawa
- 5) Estimated cost of relocating Marines from Okinawa to Guam upped to 813.2 billion yen
- 6) MSDF secret data including top-secret crypto material leaked out on 290 floppy disks
- 7) Foreign ministerial meeting of US, Japan, Australia next month to discuss Samawah troop withdrawal
- 8) Former reporter who broke story of "secret pact" between US, Japan at time of Okinawa reversion blasts Foreign Ministry for denying pact's existence

## China connection:

- 9) Chinese premier meets METI Minister Nikai but no compromises on the historical issue
- 10) Talks between Japan, China on gas field development to start next month
- 11) Taiwan's Lee Teng-hui receives approval to visit Japan again
- 12) ROK asking Japan to compensation for deaths or injuries of 100,000 WWII forced laborers

- 13) Now Russia is irritated at comment by Foreign Minister Aso taken as "interference in internal issues"
- 14) ODA restructuring plan is complete
- 15) 1,300 tons of US beef still unloaded and unclaimed in Japan due to import ban

Minshuto's e-mail caper:

- 16) In debate with Prime Minister in Diet, Minshuto's Maehara unable to show proof that Livedoor Horie's money ever went to son of LDP's Takebe
- 17) Takebe considering lawsuit against Minshuto's Nagata for defamation of character over phony charges against Takebe's son

#### Articles:

## 1) TOP HEADLINES

Asahi, Yomiuri, Nihon Keizai, Sankei, and Tokyo Shimbun: Horie and three other former Livedoor executives rearrested on suspicion of padding the company's earning to 5.3 billion yen; Representative director Kumagai also arrested

#### Mainichi:

Maritime Self-Defense Force's encoded secret documents equivalent to 290 floppy discs leaked to Internet through file-sharing program Winny

2) EDITORIALS

#### Asahi:

(1) Window-dressing by Livedoor must be brought to light

TOKYO 00000929 002 OF 011

(2) Minshuto must not leave questions up in the air

## Mainichi:

- (1) Horie rearrested: Strict punishment required for preventing financial crimes
- (2) Horie e-mail: Minshuto's credibility at stake

## Yomiuri:

- (1) Minshuto must not be allowed to switch stalking horses
- (2) Solid system necessary to prevent building code violations

# Nihon Keizai:

- (1) Restore market health by uncovering window-dressing tricks(2) An ambiguous settlement unacceptable

#### Sankei:

- (1) Livedoor: Uncover the whole picture of the complex scandal
- (2) Horie e-mail: Minshuto must not leave its pursuit unfinished

## Tokyo Shimbun:

- (1) Diet party-head debate: Minshuto must not allow suspicions to linger on
- Horie rearrested: There is no magic wand
- 3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, February 22

NIHON KEIZAI (Page 2) (Full) February 23, 2006

Handed at his official residence a written official appointment of a National Public Safety Commission member to JR East Chairman Kasai, attended by Chief Cabinet Secretary Abe and NPSC Chairman Kutsukake.

# 15:00

Participated in party-heads debate at the Diet.

Arrived at Kantei.

16:35

Met with Intellectual Property Strategy Promotion Chief of Secretariat Arai and Assistant Deputy Chief Cabinet Secretary

SIPDIS Saka.

17:33

Attended monthly economic report-connected cabinet minister's meeting.

18:15

Met with Financial Affairs Minister Yosano.

18:51

Dined with LDP lawmakers belonging to no factions at Chinese restaurant Taikan En at Hotel New Otani, joined by Secretary General Takebe.

20:52

Returned to his official residence.

TOKYO 00000929 003 OF 011

4) Maher to become new consul general in Okinawa, arriving possibly in July

OKINAWA TIMES (Page 1) (Full) February 22, 2006

The US Department of State has appointed Kevin Maher, currently chief of the security unit at the US Embassy in Tokyo, to succeed Thomas Reich as US consul general in Okinawa. He is expected to arrive in July.

Consul-general designate Maher is in charge of US force realignment issues at the US Embassy in Japan. He also is very familiar with US military affairs in Japan. He has served three times in the US Embassy in Japan, from 1984 to 1986, 1989-92, and from 2001 to the present. From 1998 to 2001, he served as consul general in Fukuoka. This will be his first posting to Okinawa. He is fluent in Japanese, having had the experience of being a research fellow at Tokyo University's Oriental Cultures Research Institute from 1997 to1998.

5) In relocation of US Marines to Guam, other facilities construction being added to 813.2 billion yen cost

YOMIURI (Page 4) (Full) February 23, 2006

Working-level talks were held on Feb. 21 (Feb. 22, Japan time) in Hawaii between the Japanese and American governments on the realignment of US forces in Japan. The US delegation indicated that they were adding to the overall cost of moving US Marines from Okinawa to Guam, until now an estimated \$7.6 billion (or 813.2 billion yen at a fiscal 2005 rate exchange), the cost of building facilities for the use of the Self-Defense Forces when there is joint training in Guam with US forces. The estimated cost included the price of land to be acquired for construction and outlays for construction of housing.

6) MSDF's classified data leaked on Internet via Winny

MAINICHI (Top play) (Full) February 23, 2006

The Maritime Self-Defense Force's classified information has been leaked in large quantities on the Internet, sources revealed yesterday. That leaked information-equivalent to about 290 floppy disks-includes classified documents regarding the MSDF's secret codes, battle training plans, and evaluations, and various other documented data. The leaked files also include maritime telephone numbers for about 130 MSDF vessels, MSDF personnel's photo

rosters, and emergency telephone trees. The Defense Agency is now investigating the case. An expert on military affairs warns that the leaked data include top-secret information. The case is likely to develop into the largest military intelligence breach

The classified information had made its way to the Winny file-sharing network, according to informed sources. Those classified files, judging from their contents, are believed to have leaked from a virus-infected personal computer belonging to a sailor on board the Asayuki, a Sasebo-based destroyer with a displacement

TOKYO 00000929 004 OF 011

of about 3,000 tons and a total crew of about 200.

One of the files is a folder labeled "crypto-related." The folder contained a detailed description of manuals for a "code changer" that is believed to be a decoder. In addition, the folder also contained a "table of cryptographic documents," which lists names and reference numbers for various "crypto-related" documents, such as emergency cryptographic documents and random number tables. One of those filed documents was a "classified" encoding and decoding table of random numbers used by MSDF vessels on the watch at sea. There was another classified document that lists call signs for MSDF vessels.

Another folder, named "drill package," contained a log titled "surveillance summary," which apparently records operations conducted by an MSDF vessel chasing a ship. The log described the radar discovery of a ship at sea, reading "detection at 258 degrees, 38 miles away (1,600 yds)" and "1,000 yards ahead." There is no knowing if the MSDF vessel was on a training mission. However, an expert notes that the MSDF's operational capability could be made known.

There was also a file named "telephone number list," which contains telephone numbers beginning with 090, fax and other maritime telephone numbers, and satellite telephone numbers with a note of "as of March last year" on its upper part. The leakage of that many telephone numbers could result in access to even more important information.

The leaked roster of MSDF personnel is possibly a listing of about 40 MSDF crewmembers on board the Asayuki as of April last year. The list also has spaces to write in their legal domiciles, current addresses, family dependents, educational backgrounds, and religion. In addition, there are Asayuki-related documents containing various data, such as an "emergency telephone call network," an "onboard work schedule," a "personnel deployment table," and a "shift timetable."

Internet bulletin boards have posted about the leaked information for several days. The Defense Agency is now investigating the case, according to its public information division.

7) Japan, US, Australia foreign ministerial planned for mid-March to discuss troop withdrawal from Samawah

YOMIURI (Page 4, 2006

Foreign Minister Taro Aso will visit Australia for three days from March 17 to hold foreign ministerial talks with Australian counterpart Alexander Downer and US Secretary of State Condoleezza Rice, according to informed government sources yesterday. The three are expected to discuss plans to withdraw troops stationed in Iraq, including the timing for withdrawing Ground Self-Defense Force (GSDF) troops from Samawah, southern Iraq.

The government plans to withdraw GSDF troops out of Iraq starting in late March. Over the plan, Japan will iron out differences with the US, Britain and Australia.

Initially, Japan, the US and Australian planned to hold foreign ministerial talks in Australia in January, but with Israeli Prime

Minister Ariel Sharon's massive stroke, they decided to postpone the talks.

8) Former Mainichi Shimbun reporter Nishiyama criticizes government over Japan-US secret deal on reversion of Okinawa

ASAHI (Page 38) (Full) February 23, 2006

Former Mainichi Shimbun reporter Takichi Nishiyama, 74, who had been found guilty in the official telegram leakage case concerning a secret pact relating to the agreement on the reversion of Okinawa, yesterday held a press conference at the Judicial Press Club at Kasumigaseki, Tokyo, where he criticized the government for continuing to deny the existence of the secret pact despite the fact that Bunroku Yoshino, former chief of the Foreign Ministry's American Affairs Bureau who had been in charge of negotiations on the reversion of Okinawa to Japan, recently told the media, including the Asahi Shimbun, that there was the secret deal concluded between the Japanese and US governments on

#### SIPDIS

the reversion of Okinawa.

Nishiyama has filed suit against the government to seek 33 million yen for compensation, arguing: "The existence of the secret deal has been already made clear by US official documents,

#### SIPDIS

but the government has not made any apology at all."

Speaking of the former diplomat's recent statement, Nishiyama conjectured the reason why he made the statement by breaking his silence for some 30 years: "Now that the existence of the secret pact was made clear also in US official files, the diplomat perhaps felt like seeking public judgment on his common sense as a diplomat."

Meanwhile, the government has rejected the diplomat's statement this time or in the words of Chief Cabinet Secretary Abe: "We have been informed that there was no such a secret pact at all."

9) Chinese premier takes uncompromising position on historical issues in meeting with Nikai

MAINICHI (Page 2) (Full) February 23, 2006

Shoji Nishioka, Beijing

Economy, Trade and Industry Minister Toshihiro Nikai, now in China, met with Premier Wen Jiabao in Beijing yesterday. Wen restated his criticism of Prime Minister Junichiro Koizumi's repeated visits to Yasukuni Shrine, indicating that he would not compromise in his position on historical issues. Wen said: "Some Japanese leaders do not have an accurate understanding of the history of Japan and China. I have been disappointed by this fact."

The meeting marked the first time for a Chinese leader to meet a Japanese cabinet minister since Koizumi's last visited the shrine last October.

Talks on gas filed development next month

Nikai also met with Chinese State Council member Tang Jiaxuan

TOKYO 00000929 006 OF 011

(former foreign minister) the same day. Tang proposed holding government-level talks on the issue of gas field development in the East China Sea in Beijing early next month. Nikai agreed to the proposal.

In the meeting with Premier Wen, Nikai said: "Japan is willing to make utmost efforts to move forward bilateral economic ties, based on a friendly, future-oriented spirit." In response, Wen indicated that China welcomes Japanese firms' participation in the Beijing Olympic Games in 2008 and the Shanghai Exposition in 12010. He then implied that the current strained bilateral relations over historical issues should not be reflected in the economic area. In reference to the gas field development issue, Wen stated: "It is important for the two countries to cooperate in developing the East China Sea, defining it as 'peaceful waters,' while putting the conflict on the backburner." Nikai asked Wen to visit Japan.

Premier Wen met a Japanese cabinet minister in China for the first time in one year and 10 months. Keeping Prime Minister Koizumi's departure from the current post in September, China aims to demonstrate, through Chinese leaders' meetings with Nikai, who has good channels in the Chinese government, the stance of placing importance on talks with key other Japanese government officials than Koizumi.

10) METI minister agrees in meetings with Chinese leaders to hold talks on gas field development in Beijing next month

TOKYO SHIMBUN (Page 3) (Excerpts) February 23, 2006

Toru Shiraishi, Beijing

Economy, Trade and Industry Minister Toshihiro Nikai, now visiting China, met Premier Wen Jiabao, State Council member Tang Jiaxuan (for foreign affairs), and other Chinese officials in Beijing yesterday. Both sides agreed on the need for the two countries to make efforts to deepen mutual understanding as a step toward repairing strains in the bilateral relationship. Premier Wen met a Japanese cabinet minister for the first time since April 2004. In the meeting with Tang, Nikai agreed to hold the fourth bureau director-level talks on the issue of developing gas fields in the East China Sea in Beijing in early March.

11) Government to allow Taiwan's Lee Teng-hui to visit Japan

YOMIURI (Page 2) (Full) February 23, 2006

The government decided yesterday to allow a visit to Japan by former Taiwanese president Lee Teng-hui in May. In consideration of China, which regards Lee as advocate of an independent Taiwan, the government will ask him to refrain from carrying out political activities. It intends, however, to allow him to deliver a speech, which it did not permit in his previous visits, on condition of his not referring to political affairs.

Since the government has exempted short-stay visas for tourists from Taiwan since last March, Lee will come to Japan without a visa.

TOKYO 00000929 007 OF 011

Lee has expressed his desire to travel to the Tohoku region, including the city of Sendai and Akita Prefecture, where Matsuo Basho, a Japanese poet of the Edo period, traveled and later wrote his famous book Oku no Hosomichi (The Narrow Road Through the Deep North). He also hopes to visit Tokyo.

In order not to irritate China, the government intends to discuss the matter with Taiwan and place conditions on Lee's visit to Japan. However, since more than five years have passed since Lee stepped down from Taiwan's presidency, the government intends to allow him freer movements.

Specifically, the conditions include: Lee will not be allowed to meet the prime minister, cabinet ministers, and Diet members; he will be allowed to deliver speeches only such themes as culture and history; and he will be able to visit Tokyo.

12) South Korea to compensate a maximum of 100,000 draftees during WWII, some of whom have already died or suffer injuries, not to seek compensation from Japan

ASAHI (Page 1) (Full) February 23, 2006

Hayami Ichikawa, Seoul

The South Korean government decided to offer in effect individual compensation to bereaved relatives of those Koreans who, after being recruited by Japanese firms or its military during its colonial rule of Korea from 1910 to 1945, died or were injured. A maximum of 100,000 or so Koreans are likely to receive compensation. Those Koreans who came back alive from the front will be excluded. The amount of unpaid wages by Japanese firms to recruited Koreans is estimated to exceed 230 million yen. In this regard, too, the South Korean government will pay them from the national treasury instead of asking Japan to pay them.

This policy decision was revealed by several government sources. The South Korean government will ask the Japanese government to cooperate to provide materials, such as firms' payrolls on deposits for unpaid wages, necessary to identify victims.

The action this time is part of the review of modern history now promoted by the Roh Moo Hyun administration. In the process of normalizing diplomatic ties between Japan and South Korea in 1965, the Pak Chong Hui regime accepted a political decision that Japan would offer 300 million dollars in grant aid and 200 million dollars in loans in return for South Korea's waiver of claim rights for property. But this decision did not necessarily satisfy all Koreans. Last year, the Roh administration disclosed every document related to Japan-South Korea negotiations and declared that South Korea on its own initiative would resolve such issues as compulsory recruitment during the period of colonial rule.

In past Japan-ROK negotiations, the South Korean government produced file indicating that there were 1.03 million victims of the recruitment with damages amounting to some 300 million dollars. Between 1975 and1977, the Pak administration used less than 10% of the 300 million dollars of grant aid to pay 300,000 won (about 37,000 yen at the current exchange rate) each to some 8,500 bereaved relatives of draftees. But the administration met

TOKYO 00000929 008 OF 011

with criticism that the coverage of recipients and the amount of money paid were not sufficient. Since the beginning of the 1990s, victims and concerned people have filed suits against the Japanese government or Japanese firms to claim compensation for recruitment or to seek payment of unpaid wages.

The South Korean government has stated that the reason for payment does not stem from state responsibility but from the notion of assistance to people's livelihoods. But a government official commented: "In actuality, it is compensation." Some war victims and bereaved family organizations in South Korea call for expanding the budget for assistance, arguing that the 300 million dollars paid in the past should have been given to war victims. How much money will be actually paid is likely to be determined in March. On humanitarian issues, including military comfort women, which was not discussed at the time of normalization talks with Japan, the South Korean government's position is that portions of legal and moral responsibilities lie with Japan.

Regarding Japan's colonial rule of the Korean Peninsula, in the recent Japan-DPRK talks on diplomatic normalization North Korea insisted that in addition to economic cooperation, compensation is necessary. South Korea's policy decision this time could have an impact on Japan-DPRK talks in the months ahead.

13) Russia: Foreign Minister Aso's remarks rapped as "interference in domestic affairs"

Akiyoshi Komaki, Moscow

The Russian Foreign Ministry released on Feb. 22 a statement severely criticizing a series of remarks by Foreign Minister Taro Aso on Japan-Russia relations. The statement wrote: "We regard (his remarks) as interference in our country's domestic affairs." Deputy Foreign Minister Alexeyev called Japanese Minister to Russia Yohitaka Akimoto in his ministry to inform him of the ministry's statement.

The statement does not specify as which remarks Aso made that Russia was criticizing. According to the Japanese embassy in Moscow, Alexeyev, referring to Aso's remark on the northern territories issue in a public meeting on Feb. 18 in Tokyo, pointed out, "(His speech) goes against an agreement reached in the summit last November that the two countries will not publicly address this issue."

Aso said in the public meeting: "I want the residents of the four northern islands (to think) that if the islands were Japanese territories, their standard of living would be improved." He then suggested that Japanese TV programs be broadcasted to the islands.

14) Cabinet council to be established anew to discuss ODA; Reorganization of MOFA Economic Cooperation Bureau proposed

YOMIURI (Page 2) (Full) February 23, 2006

The Council to Consider Overseas Economic Cooperation (chaired by

TOKYO 00000929 009 OF 011

Akio Harada, former attorney general), a private panel reporting to Chief Cabinet Secretary Abe, is expected to submit a report to Abe late this month. The full text of the report was unveiled yesterday. The report said that in order for the government to promote official development assistance (ODA) in unison, a new cabinet council (chaired by the prime minister) to be established under the Cabinet should discuss the ODA Charter, mid-term policy and resources, and energy policy. The panel has also come up with a proposal for drastic reorganization of the Economic Cooperation Bureau of the Ministry of Foreign Affairs (MOFA) from the perspective of enhancing Japan's ODA strategy.

The report also noted the yen loan section of the Japan Bank for International Cooperation should be transferred to the Japan International Cooperation Agency (JICA), and its international financing section to a policy-financing organization to be established anew. The report added that JICA should be solely responsible for the implementation of ODA projects through a revision of the International Cooperation Organization Law, rather than newly setting up an ODA implementing organization, because the name of JICA is internationally recognized.

For the planning and formulation of ODA projects, the report characterized MOFA as the center of intragovernmental coordination. In order to reinforce the functions of ODA-implementing vehicles in recipient countries, the report called for an increase in the number of staff members for posts responsible for economic cooperation at diplomatic missions abroad and the assignment of aid experts from outside.

15) Imported US beef with nowhere to go: 1,300 tons stored in warehouses at airports, ports

NIHON KEIZAI (Page 5) (Excerpts) February 23, 2006

A large quantity of US beef is stuck at ports and airports throughout the country due to an embargo. US beef shipped prior to Jan. 20, when the government decided to ban its imports, remains unable to clear customs. An organization of importers has asked the US to buy back the products, but it has received no

positive reply yet. Importers are trying to work out what to do about the products, which have nowhere to go, and warehouse costs.

According to the Japan Meat Import and Export Association (JMIEA) (Minato Ward, Tokyo), consisting of 31 companies, such as trading houses, approximately 1,366 tons of US beef worth about 1.4 billion yen is being stored at warehouses at ports and airports. Since contracts for those products have already been made, Japanese companies are obligated to pay for them. Boxes of beef that contain backbones are believed to be stored near Narita Airport.

JMIEA on Feb. 9 called on the US Meat Export Federation (USMEF), based in Colorado, to buy back the products and pay the warehouse costs. JMIEA said it had received no reply yet. The government is determined to watch the situation calmly, with Agriculture Minister Shoichi Nakagawa saying, "The case is basically an issue concerning the private sector."

In view of the possibility of the embargo becoming protracted,

TOKYO 00000929 010 OF 011

importers have taken various measures, including moving chilled beef to cold storage warehouses. However, they believe that storage costs will continue to grow and just want to return the products rather than waiting for a resumption of beef trade.

16) Party-head debate on Horie e-mail: Minshuto fails to produce new evidence

ASAHI (Page 1) (Full) February 23, 2006

In his party-head debate in the Diet yesterday, Minshuto (Democratic Party of Japan) President Seiji Maehara took up the email allegedly sent by former Livedoor President Takafumi Horie instructing his company to send money to the second son of Liberal Democratic Party Secretary General Tsutomu Takebe. Maehara explicitly said, "We have conclusive evidence that funds were provided to (Takebe and others) via his son." But despite his party's efforts to find evidence verifying the authenticity of the e-mail, Maehara failed to produce clear evidence in the session. Maehara also call for the invocation of the Diet's investigative powers to clarify fund flows. In response, Prime Minister Junichiro Koizumi urged Minshuto to disclose evidence, saying, "Once evidence is produced to prove that (the e-mail) is authentic, there is no need to exercise the Diet's investigative powers."

Minshuto is in the hot seat due to the questionable Horie e-mail despite its offensive against the LDP over a set of four issues, including the question of resuming US beef imports. Maehara failed to turn the tables in yesterday's one-on-one debate with Koizumi.

Maehara thinks that proving the authenticity of the e-mail is difficult in the current situation, according to a Minshuto Diet Affairs Committee member. As a result, he has shifted focus from Horie to the flow of funds to Takebe. The party's failure to produce evidence may draw strong criticism from the public. Such a consequence is certain to cause the Minshuto leadership to lose its grip on the party.

Chief Cabinet Secretary Shinzo Abe commented at a meeting in Tokyo last night, "If Minshuto cannot produce solid evidence, someone would have to take the blame."

In his 45-minute debate with Koizumi yesterday, Maehara did not broach the alleged Horie e-mail until 10 minutes before the end of the debate. Maehara finally said:

"We will disclose the account name and account number. We want you to produce the account book. If you have nothing to hide, you should allow the Diet to exercise its investigative powers to bring things to light."

In response, Koizumi said:

"If there is clear evidence, we are willing to exercise the Diet's investigative powers. But such would be unnecessary if you can produce evidence that can verity the authenticity (of the e-mail)."

17) LDP Secretary General Takebe considering filing defamation of TOKYO 00000929 011 OF 011

character lawsuit against Minshuto lawmaker Nagata

MAINICHI (Page 5) (Full) February 23, 2006

House of Representatives member Hisayasu Nagata (Minshuto or Democratic Party of Japan) made statements on a TV program about an e-mail which he claimed proved that money had been "transferred" (from former Livedoor president Horie) to the son of Liberal Democratic Party (LDP) Secretary General Tsutomu Takebe. The Secretary General said yesterday: "Diet members are exempted from liability for their speeches in the Diet. But he said it on a TV program. I think I can sue him and, so, I'm preparing to do just that." Takebe revealed that he was considering filing a defamation of character lawsuit against Nagata.

SCHIEFFER